

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **WEDNESDAY, APRIL 22, 2009**, upon the application of **LIVE OAK ENERGY, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Haynesville Sand, Reservoir B and the Smackover "A" Zone**, in the East Haynesville Field, Claiborne Parish, Louisiana.

1. To permit the applicant to designate and utilize the Live Oak Energy, Inc.-Reed No. 1 Well, which is currently completed in the Haynesville Sand, Reservoir B, at the location shown on the plat submitted with the application, as a unit well for the Voluntary Unit comprising the SE/4 of Section 29, Township 23 North, Range 7 West (hereinafter the "VUA"), in exception to the well spacing provisions of Statewide Order No. 29-E.
2. To permit the applicant to designate and utilize the Live Oak Energy, Inc.-Reed No. 2 Well, which is currently producing from the Haynesville Sand, Reservoir B, at the location shown on the plat submitted with the application, as a unit well for the VUA, in exception to the well spacing provisions of Statewide Order No. 29-E.
3. To explicitly find that the proposed VUA unit wells are in the interest of conservation and are necessary to drain a portion of the Haynesville Sand, Reservoir B, underlying the proposed VUA, which cannot be efficiently and economically drained by any existing well in such VUA.
4. To permit the downhole combination of production from the Smackover "A" Zone and Haynesville Sand, Reservoir B, with respect to the Live Oak Energy, Inc.-Reed No. 1 Well and any other well drilled and completed in SMK A SUH and the VUA, in which the acreage and ownership interests in the units from which production is combined downhole are identical.
5. To consider such other matters as may be pertinent.

The Haynesville Sand, Reservoir B is fully defined in Office of Conservation Order No. 105-J-1, effective April 25, 1990.

The Smackover "A" Zone was fully defined in Order No. 105-C, effective August 29, 1949.

A plat is available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.
www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

4/2/09;4/7/09

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.